

**MINUTES OF MEETING
LAKE ASHTON I
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lake Ashton Community Development District was held on Monday, **April 19, 2021** at 10:15 a.m. at the Lake Ashton Clubhouse Ballroom, 4141 Ashton Club Drive, Lake Wales, FL.

Present and constituting a quorum were:

Robert "Bob" Plummer	Chairman
Mike Costello	Vice Chairman
Harry Krumrie	Assistant Secretary
Steve Realmuto	Assistant Secretary
Lloyd Howison	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Jan Carpenter	District Counsel
Christine Wells	Community Director
Alan Rayl	District Engineer
Matt Fisher	Field Operations Manager
Annie Toth	Metz Culinary Management
Jeff Brown	Metz Culinary Management

FIRST ORDER OF BUSINESS

Roll Call and Pledge of Allegiance

Ms. Burns called the meeting to order at 10:15 a.m., called roll, and the pledge of allegiance was recited. Five supervisors were present constituting a quorum.

SECOND ORDER OF BUSINESS

Approval of Meeting Agenda

Mr. Plummer: Do I have a motion to approve the meeting agenda as submitted?

On MOTION by Mr. Realmuto, seconded by Mr. Costello, with all in favor, the Meeting Agenda, was approved.

THIRD ORDER OF BUSINESS

**Public Comments on Specific Items
on the Agenda (*the District Manager*)**

will read any questions or comments received from members of the public in advance of the meeting)

Mr. Plummer: We'll start with public comments.

Resident (Marsha): I'm here to speak about the COVID restrictions. I believe it is too early to start making changes to the COVID procedures. Florida is seeing an increase in the number of COVID strains, more Lake Ashton residents are traveling. That's a lot of changes. While the vaccines put us at less of a risk of dying of COVID, they do not prevent COVID. Most stores and shops have continued to have mask requirements and in Lake Wales signs still say that masks are mandated. Although many Lake Ashton residents are ready to give up masks, just as many are not. Some residents are advocating letting people go without masks. Medically speaking the proven thing is to wait until Polk County has the 5% infection rate for 14 days in a row and then drop all restrictions. As of the beginning of last week the Polk County rate was 8%. Let's support safety just a bit longer. Thank you.

Mr. Plummer: Thank you Marsha. We have that on the agenda to talk about that.

Ms. Burns: Bob, we need to just mention that there's no public comments on the Zoom line.

Mr. Plummer: Okay, are there any more comments from the public?

Mr. Realmuto: I believe we did have another written request from Mr. Blooms to speak.

Mr. Plummer: No, that comment is for the joint meeting.

Mr. Realmuto: Okay.

FOURTH ORDER OF BUSINESS

Consideration of Minutes from the March 15, 2021 Board of Supervisors Meeting

Mr. Plummer: Next item on the agenda is the consideration of the minutes from the March 15, 2021 Board meeting. Are there any are there any additions or corrections to the minutes as they were presented electronically?

Mr. Realmuto: There are a couple of typos, and in the interest in time, I'll just not even comment on them. I'll get with Jill afterwards.

Mr. Plummer: Okay. If there are no other additional changes, do I have a motion to accept as corrected?

On MOTION by Mr. Howison, seconded by Mr. Realmuto, with all in favor, the Minutes of the March 15, 2021 Board of Supervisors Meeting as corrected, were approved as amended.

FIFTH ORDER OF BUSINESS

Restaurant Update – Ashton Tap & Grill

A. Presentation of Restaurant Financials for March

Mr. Plummer: Restaurant update.

Mr. Krumrie: You have the invoice from Metz for the month of March and it does include a narrative, I think by now we've all read the narrative. The invoice is for \$15,630.70. Do we have any questions?

Mr. Realmuto: I have no questions, but we should point out that it a continuing improvement, a tremendous improvement, over prior months. We are heading in the right direction towards the balanced budget I'd like to see.

Mr. Brown: One of the key things in this one is that this is actually a five week month for us. Our fiscal months go four week, four week, then five week, so this one has an extra week over the prior two.

Mr. Krumrie: I think one item that stood out was the food cost for the month. They were higher than lasts months.

Mr. Brown: I honestly don't have a tremendous answer for it. Sales mix can fluctuate the food costs. As I mentioned, the protein is the highest portion of it, but really it wasn't too out of line as far as versus the year to date.

Mr. Krumrie: I make a motion we approve the invoice for \$15,630.17.

Mr. Realmuto: Do we need an approval for that?

Mr. Plummer: We do not need an approval. Any other items, do you have anything else, Jeff? Obviously, you were up here just a few minutes ago.

Mr. Brown: No, I do not.

Mr. Plummer: Anybody else have anything for Jeff? If not, thank you.

B. Consideration of Quotes for Pizza Oven

Mr. Plummer: The next item on the agenda is the consideration of quotes for the pizza oven for the restaurant.

Mr. Brown: Unfortunately, just in the last few months we've already had a couple of significant repairs to it. It's to the point where the repairs are going to cost more than just replacing the unit over time.

Mr. Plummer: You want to present those quotes, Harry?

Mr. Krumrie: The first proposal from Metz is 9,345.71 for a pizza oven. Edward Don has a proposal and it appears to be the same pizza oven, has a quote of \$8,498.96. I'd recommend we take the lower bid for \$8,498.96

Mr. Realmuto: Are there three quotes?

Mr. Krumrie: Yes.

Mr. Costello: There's three. There's one for \$7,827.66. They are all the same units. It's all the same ovens.

Mr. Krumrie:, I don't have that in my packet.

Mr. Realmuto: Jeff can you comment that if we are comparing these exact same items for across all three, or is there some difference?

Mr. Brown: I'd have to go back and check. We had asked for comparisons on the same one so it should be the same.

Mr. Realmuto: My only question is the third quote from USF, it specifies casters and legs, set of four. It's not clear to me whether they are included on the other two quotes.

Mr. Brown: It's a huge common advantage to have casters on those.

Mr. Realmuto: Can we go back and confirm that the others have those?

Mr. Brown: Yes.

Mr. Realmuto: I make a motion to approve the lowest quote with wheels, not knowing what that would be, should I cap it?

Mr. Plummer: Well, you can set a not to exceed number.

Ms. Burns: Or just set a not to exceed of the higher quote that we know includes that amount for the legs.

Mr. Plummer: That's a good idea. We can set the cap at \$9,500.

Mr. Realmuto: I move that we approve the lowest quote for our pizza oven that includes the wheels, not to exceed \$9,500.

Mr. Plummer: Any other discussion?

On MOTION by Mr. Realmuto, seconded by Mr. Howson, with all in favor, Purchasing a Pizza Oven Not To Exceed \$9,500, was approved.

SIXTH ORDER OF BUSINESS

Discussion Regarding COVID-19 Procedures

Mr. Plummer: Moving to the next item on the agenda is discussion regarding COVID-19 procedures. The floor is open for discussion here with what we want to do with the restrictions as they stand today.

Mr. Krumrie: I have had the request, for example, in the Bowling Alley that people be allowed to not wear their mask, if unless they are in the restaurant eating or drinking. Anytime you enter the restaurant or the clubhouse you should be wearing the mask until we reach our destination. Other thoughts?

Mr. Howison: I don't see any reason to change where we are now.

Mr. Plummer: Let's just recap where we are. First, the outdoor amenities are back to normal function. Inside amenities are at 75% capacity. We require masks to enter the building, obviously you can remove them to eat or drink. Obviously if you are drinking at the bowling alley, you can remove your masks under that specific guideline. Is there anything else we want to address? Or do we want to leave it where it is, for obviously another 30 days?

Mr. Realmuto: The only thing I'll point out, and some of our residents complain about small discrepancies in rules between the East CDD and the West CDD. I'll point out that if we stay where we are the one large discrepancy I see is that we still require the wearing the mask when using the fitness equipment, whereas our friends in the West do not. I believe as of April 15 they do not require the wearing of a mask while exercising. I'm just pointing it out, I'm not advocating for it.

Mr. Costello: Well, I would think of getting rid of the requirement for a mask using the physical exercise room. If you are not going to do it while you are bowling, I can't see

how you're going to do it while you are exercising. So, if you are going to suspend one, I think we should suspend both.

Mr. Krumrie: I agree.

Ms. Burns: Most facilities that have gyms that we've seen have used, while you are active in using a machine you don't have to wear it. So while you are walking in and getting ready, you take it off and then actively use that machine. That's kind of the term we've seen.

Mr. Costello: Well, if we are going to keep the mask in place in the clubhouse, you should use the mask when you are leaving or entering the room. As far as while you are exercising, I've felt that people probably start hyperventilating with these masks on.

Ms. Carpenter: This is Jan. I agree with Jill, generally the CDC requirements and the standard is you leave it on all the time, and if someone feels they need to take it off while exercising they can. The same with the bowling alley, while they are eating or drinking take it off, but it should be on the rest of the time to meet all the local requirements. That way people have the discretion to take it off if they need to breathe. But you know somebody technically, should leave it on unless you are really need to. We still have people that are unvaccinated, so it would really make sense to take the conservative approach, but that does allow people to take it off so they can exercise if they need to.

Mr. Realmuto: I think it's fair to say that everyone that has wanted to be vaccinated has had the opportunity here in Lake Ashton. So that's one note. The question is do we want to adopt a policy? We need to be clear on a direction to residents, I think.

Mr. Plummer: I think you are correct, with our vaccine programs that we've brought in, and the surveys we've taken, we find that our estimate is about 80% of Lake Ashton has at least one vaccination or more. I think of the remaining some of them will not ever get one due to health issues or a variety of other issues.

Ms. Burns: So perhaps the language would be that masks are required in all clubhouse areas unless you are actively eating, drinking, or exercising.

Mr. Plummer: And you are counting bowling as exercising?

Ms. Burns: I was thinking more of the eating and drinking under that.

Mr. Costello: I make a motion that we suspend the use of masks for any physical activities within the clubhouse.

Mr. Realmuto: I like Jill's wording. Jill, were your words along the lines of while actually exercising?

Ms. Burns: Yes, that's kind of what we've seen if you take up the Disney standards. If you are eating or drinking, you can have your mask removed or pulled down. It would be actively eating, drinking, or exercising.

Mr. Costello: I'd make a motion that we follow what Jill just said.

Ms. Wells: Is this going to be limited to the fitness center?

Mr. Howison: I'd come back to what Jan said, Jan can you clarify?

Ms. Carpenter: Generally what most local jurisdictions do, it's required all the time other than eating, drinking, and exercising. That's up to the discretion of the individual. Some folks can run on a treadmill with a mask on, no problem and choose to, others can't. If the question is the bowling, that's really going to be individual, most people could probably bowl with a mask on, but there may be some with weakened systems that have to take it off. So, I think just eating, drinking, and while exercising gives folks the discretion if they need to take it off. It allows people to leave it on for the most part, and that matches most governments right now.

Mr. Realmuto: So, people are always free to wear the mask right? We haven't adopted anything that prohibits the neck wearing of masks, so that's always an option.

Ms. Carpenter: But you do want to encourage it still. Even if there's a small number that are not vaccinated, they tend to sometimes be some of the higher risk. So, I think that's why governments are continuing to require it, and it's only 30 days till your next meeting so if things change dramatically or if there's a lot of outcry you can change it again.

Mr. Plummer: We have a motion on the floor to keep the mask requirement as per stated. Any additional discussion?

Ms. Wells: Can I ask just one quick question? So, it is eating and drinking anywhere in the clubhouse, in the card room, game room, anywhere? I just want to make sure that we are clear as to what we are enforcing it.

Mr. Plummer: I think if you are eating or drinking, it really doesn't make any difference what room you are in, right Jill?

Ms. Carpenter: I just wanted to clarify because people are going to ask.

Mr. Costello: In the restaurant, I mean you walk in you are seated, you take your mask off. It should be throughout the building I would think.

Ms. Carpenter: I just want to clarify. Thank you.

On MOTION by Mr. Costello, seconded by Mr. Realmuto, with all in favor, Requiring Wearing a Mask in All Indoor Amenity Areas Unless Eating, Drinking, or Exercising, was approved.

SEVENTH ORDER OF BUSINESS

New Business/Supervisors Requests

A. Discussion Regarding the Fiscal Year 2022 Budget and Capital Projects List

Mr. Plummer: New Business, we have discussion regarding the Fiscal Year 2022 budget and capital projects list proposed by Metz. Do we want to go further on that than where we were earlier?

Mr. Realmuto: I think this was originally on the agenda. Our contract with Metz Corporation requires them to submit to us essentially a budget and plan for the following fiscal year and for us to approve it or disapprove it within 30 days. So, this is the only meeting we have scheduled to be able to do that. That's why it is here, and I think we need to discuss whether we are happy with the budget. We discussed it earlier, but I know a lot of people just joined the meeting. Essentially it calls for a deficit of, I believe, about rounding to the nearest \$1,000 a deficit of \$170,000. So that's a \$170,000 that would have to come out of your operating assessments. That's in addition to the other costs we pay for the restaurant. I won't go over what all of those are. But they add up to a couple thousand a month. Plus, any enhancements as you heard we placed several things in the budget to the restaurant.

Mr. Krumrie: I think we are all in agreement. I don't think any one of us would want to see it be less. This is a continually increasing revenue each month. Going forward they have nothing to rely on historically for what it's going to be for June or July, etc. I have every bit of confidence that the restaurant's going to be pricing the meals correctly, pressing them to the max of what this community will absorb. My vote is that we would

make a motion to approve the budget of \$169,655 plus Jeff's request to the Board Administration to the budget that administrative cost by \$10,000. That would take it down to \$159,655.

Mr. Costello: At \$159,000 we're are a lot closer to that \$151,000 that was originally given to us. 159,000 puts us well within the range. You're always considering you are going to have costs here or there, everywhere. I don't know the restaurant business, I don't know anybody else here does, but quite honestly we would appreciate any help we could get from you people.

Mr. Realmuto: The \$151,000 you refer to that was the initial proposal, and that took into consideration startup costs and a time of COVID when we had no catering. I don't think most of us anticipated that would be a continuing deficit. I remember the discussions and we were hoping essentially, we would be able to come in better than that. Based on the current performance and how it has been improving and knowing from the 2025 survey that our population doesn't go down nearly as much as some of us thought it did over the rest of the year. The bottom line is 75% of our residents are here even in the lowest occupancy months. I have high hopes that they can do better than this budget. When GMS updates the budget based on the figures from Metz, you will see that we have an anticipated loss of \$233,000 for this fiscal year, and now they are proposing \$170,000 or \$160,000 if they reduce their fee by \$10,000. It's still a rather large subsidy by every household and those households on the East. I don't think that's the way to fund it. So, in my mind it's a fairness issue, and I would like to see us to ask them to present us with a balanced budget alternative. There are certainly opportunities to reduce the expenses. One of the things proposed in this plan that's the subject of this agenda item, is hiring an additional supervisory employee. I can't understand why that would be necessary, but I'd like to see done if the revenue justifies it. I don't think it's asking too much to balance the budget. I'm not saying it can all be done through expenses. The budget is \$20,000 a year on washing linens. There is certainly some room for improvement there. I'm not going to picky and go through the budget, I think if we hold their feet to the fire we can get better financial performance. With all the subsidies outside of this budget, I believe that at least in normal times this restaurant should be able to operate with a balanced budget, and I'd

like to see them present us with that alternative. So, I would not be in favor of approving this budget as presented.

Mr. Krumrie: I'm not sure that we know for sure that this restaurant can operate with a zero balance budget. The \$43,000 you are referring to for the new supervisory position, I think that was just moving other dollars around within the budget, correct?

Mr. Brown: Primarily.

Mr. Krumrie: That's not an additional amount to the budget.

Mr. Brown: Correct. As it stands right now, we use a couple of our server staff who step into supervisory roles to help assist when Annie's not here, or any other time. They are paid an hourly rate that's different from their tip rate because they are not serving during those times. Part of it was that, and part of which was an initial budget, is for someone to assist with catering. We have budgeted the catering to go up to \$89,000, I believe it was. Which is still far short of where I would expect long term catering to be. But there does need to be some assistance with that as we move up in that area. One of the things that was never in any budget and was never in any proposal, because it happened afterwards, was the minimum wage impact. Minimum wage for our next year, for tip wage employees means an increase of 24%, plus benefits. Benefits are based off of percent and of sales. So, it's a significant increase. I believe I projected it about \$32,000 and I think that's probably not very aggressive.

Mr. Costello: That starts in September?

Mr. Brown: That starts in September and then next September you are going to get another \$1.00. So, the way tip wage works in the state of Florida is there's a tip credit. So, when you hear the minimum wage is \$8.65 right now, and then you hear the minimum wage is going to be \$10 in September, what we pay tip wage employees is \$3 less, I believe. It's either \$3 or \$3.02 less than that and then they have to make the rest of it up with tips. If they don't, then we have to make it up. At the end of the day, that basis is \$24% this year, next year I believe that's probably about 14%. But you are going to be seeing that every year unfortunately for the next five years. So, when it gets to \$15 in 2026, you are going to be paying a minimum of \$12 even with tip wage.

Mr. Realmuto: And I believe that's a reason people would understand the price of the meals and increasing a little bit. You have the ability to adjust the price of those items,

perhaps keep some of them that are more price sensitive, the lower priced items where they are and only increase them minimally. Some of the higher priced items for people that might not be as price sensitive you might be able to increase a little more. What I'm suggesting is nothing more than again, basically the people that are eating there covering the cost of operations, not of the facility itself or even some many of the cost of operations like the utilities and gas. Don't underestimate this community you've seen the patronage. We've got an improvement almost every day. I should think you will get the support especially putting the word out there about the wage increases. I think they understand that prices need to increase, and the taxpayers don't necessarily want to subsidize which is what an unbalanced budget does. It's a fundamental issue of fairness in the community.

Mr. Krumrie: I think you've already accounted for some of that, not only is there a wage increase but inflation in the food cost themselves. When it comes to pricing, nobody knows better than a restaurant as to what they should have for a price of hamburger or a spaghetti dinner, or whatever. But we will see price increases as they go forward.

Mr. Brown: Yeah, generally in our industry, we looked a CPIU food away from home as our standard for increases. It's projected to be about 3% during the next year. So, you are going to have that much inflation. It's going to be impacted much higher in the state of Florida because of what minimum wage is doing.

Mr. Realmuto: I think we all understand that expenses go up and therefore prices need to go up. I think what's before us now is a question of how we want to pay for it, and I just think it's ironic that this previous Board here essentially chose not to enter into an agreement to purchase the golf course because they were concerned about writing a blank check. Yet, that's exactly what we've done and what we are doing now. We're responsible for any deficits anyway. What we'd be doing if we were to entertain a motion, at least a motion I would like to make, is go back to Metz and Mr. Brown and ask them to present us with a balanced budget alternative, so we would understand what it would look like. That's all I'm looking for, once we look at that, we can have that discussion and decide which way we should go. I would like to see that alternative for the budget that is before us today which calls for that subsidy of, even if you get the \$10,000, \$160,000 for the FY 2022. Would I have support for a second for that motion because if I do, I'd be happy to make it.

Mr. Howison: I wonder if there isn't some sort of a compromise between the two. I fully understand your position and I understand we are just playing with money here. The bottom line is, if their operations in Fiscal Year 2022 concludes with a loss of \$169,000, whether the budget is a break even or not, we are liable for that. There are certain fixed costs, management costs, that is a different cost of that amenity, it's a cost of having that amenity here. You can look at it both ways, certainly people that don't come to the restaurant, will not want to subsidize the restaurant. But the fact of the matter is, in this community they want to have an amenity, and they feel it supports their property values, it supports everything that they love in this community. I don't play tennis, I don't play pickleball, and yet I understand the numbers are less, but I help to subsidize those. So, it seems to me that it doesn't have to be an either or, it doesn't have to be a pure balanced budget. Nor do we have to ask the community to subsidize the operation entirely.

Mr. Plummer: So, in the budget as I understand it you have built in the price increase for food?

Mr. Brown: Yes, basically the CPIU rate.

Mr. Plummer: The 3%, correct? So, to increase the revenue more than likely, it would have to come from volume as compared to price?

Mr. Brown: It would have to come from volume, if you did it by price you're probably talking about 16 -17% on top of the 3%.

Mr. Plummer: Correct. If you took the loss of \$170,000 and compared it to the total revenue by 17%. In other words, if we increase prices by 17% of a million dollars, that would be \$170,000.

Mr. Realmuto: What I think what I heard Supervisor Howison say is he welcomes something between, essentially moving a little more towards a balanced budget. I'd welcome anything that moved us closer to a balanced budget, in other words decreasing that \$170,000 proposed to something less. I don't think it's too much to ask a company with as much professional experiences running restaurants to operate closer to that basis. Especially, considering the outside subsidizes. We all agree that the restaurant is a big net plus for the community and we want to keep it here. I'm just trying to make the funding equitable across the entire Lake Ashton community, where we only represent and can assess 59% of the people for.

Mr. Brown: Would you be open to opening to the public outside of the neighborhood?

Mr. Realmuto: I think you get differing opinions there. I would suggest that is less of an issue now. But frankly, I question whether the revenue is the problem. The revenue seems to be meeting and exceeding what you are projecting originally. It's the expense side that seems to be more of an issue from what I've seen in your reports.

Mr. Howison: If we were in a non-COVID environment I think we would be encouraging the restaurant to bring in outside business. We would be marketing aggressively the catering business but we are not today. I do think catering wise, \$1,000 to me seemed low for a year. I see no issue in aggressively marketing the catering business. That is an area where we could increase revenue.

Mr. Realmuto: Maybe that's the start. I agree 100%. There's absolutely no issue with increasing the catering business.

Mr. Costello: Do you have any other customers who operate on a fixed budget?

Mr. Brown: We have restaurants who do but they are generally open to the public, TGI Fridays types and that would be the norm.

Mr. Costello: You know because the fluctuation in prices, especially now, you are going to see prices go up. It's something that I can't understand how you possibly are going to be able to truly estimate where you are going to be six months from now.

Mr. Brown: Unfortunately, I can't. I don't have any history and you guys really don't have any history going back to let me have some sort of guidance in that. So, I have to kind of assume based on the flow of people in Florida, a certain number of people are going to leave. We are increasing as it stands right now, Easter was the biggest day we've had, which is really buoying the whole April, in a sense. As we get into May and all that, anything in Florida tends to fade down at least through generally October.

Mr. Krumrie: I can't speak for the Board, but I assume you are going to price food costs if you will at the highest point you can possibly price it out without losing business.

Mr. Brown: And that would be the goal, yes.

Mr. Krumrie: I think you are doing everything you can do.

Mr. Costello: And that's basically what I'm saying, we've seen fuel go up since January from \$2.05 to like \$2.89 right now. Of course a company is going to transport

something to you it's going to cost them more money in fuel. They cannot eat those costs, they have employees that they have to pay, they have buildings that they have to maintain. It's only natural that you are going to see an increase in your prices. To try and come out with the balanced budget, I can only imagine what it would be a really tough job, especially at this time.

Mr. Realmuto: I have a question, Jeff. Do you feel there's anything you could do to update the budget to reduce the deficient by however little it is, but to move a little closer to a balanced budget by half? At this point I think we'd take anything we can get and I know the residents would appreciate it.

Mr. Brown: Truthfully, the only area I see any opportunity is food costs as a percent, which indicates you would need to have to take pricing because you are going to have to increase revenue versus the costs of the food itself. That's going to be your big area of opportunity. If we took out 10% increase in our pricing, at both our end food, obviously it makes a significant impact on the bottom line. If you look at the fixed costs in the budget, there's really not a lot of fluff in there. I've got about \$11,000 in marketing. There could be some room there, however a very large portion of that is for paying for things like entertainment which so far has paid for itself. Because the days we have music down there unless it storms, we've gotten a good impact on it. We are counting on that because we count on things like that. I know the linen has been a topic before, but we've also heard about ambiance in the location. Linen is probably about \$8,000 on that budget. When I talk about table linen, because we have towels, we have other pieces of linen. Some of that linen is also because it's much more expensive when you are doing catering, you have to have linen. So, when you see \$20,000 for laundry you are not just talking about the table linens. That's about \$8,000. Yes, you could remove that. You could go with something less expensive or something a little more permanent that you just wipe off. It's not going to be nearly as attractive, and that might have an impact on the whole ambiance thing. That's an area you could possibly look at, but I don't really have a lot of fluff. I've got \$10,000 built into the budget for maintenance. So, if a piece of equipment breaks down I've got that covered in my costs and I'm not looking to fix plumbing or something like that. But I do have that number in there already to assist in that area.

Mr. Realmuto: For the record in the past this Board, the CDD, has been willing to essentially cover outside of the restaurant budget, the cost of maintenance and repairs. So, I'm not suggesting that's part of, I don't think that could needs to be considered as part of the restaurant budget that you need to break even with. Maintenance is something we have traditionally been responsible for. I have no issue with continuing that. I would encourage you to look at areas where there is at least a little bit of opportunity on the expense side, particularly around labor and being able to dynamically adjust it on slow days, those kinds of things. What I'm getting out of this is essentially the only way to come closer to balancing it, is to raise the prices.. Perhaps you could look at what it would be if you could meet halfway and cover the deficit at least partway and halfway, before you increased meal costs. It's coming out of the same pockets either way, or at least it's coming out of the same pockets on again 59% of the residents, but it's not coming out of the pockets for the other 41%. And that's one of the concerns I hear expressed privately. I'm sorry if it's one of the elephants in the room, but that's the discussion that's taking place in the community. The only way to address it is to include it the meal price.

Mr. Plummer: Okay, let's move this forward.

Mr. Krumrie: I make a motion we approve the budget of \$169,655 with the understanding that this corporation will maximize pricing for the menu and reduce other costs where possible.

Mr. Plummer: I have a motion on the table.

Mr. Costello: I'll second it.

Mr. Plummer: Motion is seconded to approve the budget with working on a caveat of working on the budget and save costs if you will. Is there further discussion?

Mr. Howison: Is it possible to punt this down the road one more month and have another discussion? I just think that we have to have a number to get into the budget.

Mr. Costello: We do have a number, right? \$169,000. At best I can foresee it going down, am I right or wrong?

Mr. Brown: Correct.

Mr. Costello: I don't doubt that we may not meet the projections that are there, but by the same token we are looking at \$169,00. As I had said in the beginning of the meeting, I had spoken to you and we had requested that another year be given at a

\$10,000 discount for your money. As far as raising prices or adjusting the prices, I should say, that could be a plus. But right now, I don't foresee a problem with approving the projected amount. Next month, even if we approve something next month, it's only going to be projected number anyway. So, I mean, you know, hopefully, you know we next month, we may have to look at it again and readjust it. But I would like to see us move forward with something.

Mr. Plummer: Okay, we have a motion on the table with a second.

Mr. Realmuto: For the discussion again, I'm just pointing out that decisions like this to the tune of \$270,000 have a huge impact on the budget and other decisions that will be made, whether there's money in the budget to do other things. So, realize that you're making this decision now and if there's not money in the budget where it requires an assessment increase, that this vote is where you made that decision, and we'll need to justify that to your constituents.

Mr. Krumrie: We fully understand that. At least I do.

On MOTION by Mr. Krumrie, seconded by Mr. Costello, with three Supervisors in favor and Mr. Realmuto and Mr. Howson objecting, the Restaurant Fiscal Year 2022 Annual Plan and Budget Proposed by Metz, with reducing cost when possible, was approved.

B. Discussion of Lake Ashton CDD Capital Projects List and FY 2022 Budget

Mr. Plummer: The next item is the discussion of the capital projects list, is that the one we did in the budget meeting, Steve?

Mr. Realmuto: That is the one, and I suggest we should get to the budget if we have that ability Jill.

Ms. Burns: Yes, absolutely, I think we are going to project list. I think we understand where we are, so unless anybody has anything else on that I think we can skip right into the budget. Like I stated before this is just a rough draft, and we are looking for some direction from the Board. We also needed some clarification on the Metz numbers, which I think we now have. The Board has approved that plan and that's the figure that we will then use in the budget.

Mr. Realmuto: What we are talking about on page 1 is revenues. There's an item for restaurant retail sales. The actual through June 28, 2021 is \$172,488. You will see a zero next to the projected next 7 months, the projected revenue and again this is from Metz and enclosed in the March financials as well, the projected next 7 months revenue is \$598,373 for a total revenue of \$770,861. Then through to the next page is where you will find the expenditures meaning this where the restaurant operations is listed. We had restaurant operations actual expenses through the end of February of \$302,211. The zero next to that is projected for the next 7 months expenses of \$701,441. You will see the rest of the totals adjust appropriately some of them move from positive to negative. But again, we'll see that I guess when GMS gets us an updated budget.

Ms. Burns: We did make some other updates to some of the other line items for actual contract amounts. Obviously, there were changes to some of the landscaping and lake maintenance contracts, you will see those reflected in there. I don't know if there are any other line items Supervisors wanted to discuss changing, increasing, decreasing, anything anybody saw that jumped out.

Mr. Howison: Yeah, I've got a couple I'd like to touch basis on. Number one is on the engineering. We show a budget of \$40,000 as we did in FY21. In Fiscal Year 20, our total cost was \$83,000. Our projected costs is a little over \$100,000 this year. It strikes me that we probably are underestimating our engineering costs for Fiscal Year 2022.

Ms. Burns: Yeah, that is something I think we should increase.

Mr. Howison: The same holds true I think for the attorney fees. There were \$64,000 in 20, exclusive of golf course attorney costs and then \$66 this year. I do recognize that we had the issue with our neighbor, so this may come back down next year but I'd suggest perhaps we bump that up a little bit as well.

Ms. Burns: Do you have a figure in mind you'd like for us to put in for either of those?

Mr. Costello: It's the legal fees last year. I don't think we had all that much with the neighbor, I think it was with the restaurant.

Ms. Burns: Part of it was the golf course as well. You know this Board was involved for some time.

Ms. Carpenter: And there was the foreclosure of the restaurant last year and the negotiation with Metz and the RFP, so there were a lot of exceptional things. I would think \$30,000 should be plenty for this year, if not less.

Mr. Howison: Did you say \$30,000?

Ms. Carpenter: Yes.

Mr. Costello: What did it cost for the eviction on the restaurant?

Ms. Carpenter: I think that was almost \$20,000 with the COVID delays. That took a lot of time.

Mr. Costello: I thought it might have been even more than that.

Mr. Howison: Okay, that's fine. I just wanted to raise it, so we can leave it where is.

Mr. Costello: Well, the only thing I'm saying there is that you know hopefully we are never going to see something like that again. That's \$20,000 that you know quite honestly, we don't expect a recurring expense like that again.

Mr. Realmuto: I would agree, there were a lot of onetime expenses in this year. I think we've already heard the attorney herself suggest a figure of \$30,000. I'm fine with that. The question is what do we want to do with the engineer budget, because I agree with Lloyd \$40,000 does seem low given the past.

Mr. Plummer: I'd say take the \$20,000 from the attorney and move it to the engineer.

Mr. Realmuto: Sounds perfect.

Mr. Krumrie: Is that going to be sufficient?

Mr. Plummer: I can't say, I'd say Alan's a better judge there. We've had some unexpected issues that he's had to deal with as well.

Mr. Rayl: I believe that would be fine. We don't have the same type of projects, the last year we did paving and inventory and we did some things related to lake outfall and things like that that won't be coming back again next year.

Mr. Realmuto: So, our direction is to make it \$60,000? We move it from \$40,000 to \$60,000, correct? The bottom line wouldn't change though.

Ms. Burns: Exactly.

Mr. Howison: Under the gate and patrol control officers, etc. There's \$260,000 which is a significant increase from the year before. Part of that is due to the same thing that the restaurant was talking about, with the minimum wage issue taking place and additional taxes they are taking. That number doesn't reflect the reduction in pool hours, they took from the old pool hours, so you can subtract about \$9,000 off that for their reduction in pool hours. I'm going to recommend later in the year that we rebid the security, it's been several years since so it's time to do a re-bid and see where we come up. So, that's a projected number at this point.

Ms. Burns: So, you want that to list the actual contract amount? I think that was some extra in case we needed extra patrols.

Mr. Howison: I would leave it there, but I don't think it will go there.

Ms. Burns: Okay, so just leave it at \$260,000 then?

Mr. Howison: Yeah, because if we do a bid I don't know what we'll come out with. That's their projected costs is what they did.

Mr. Realmuto: So just to put in some numbers or facts to that, the increase over the previous year's budget is \$35,600. That's almost 16%, right? It just seems very high.

Mr. Howison: I agree, but like I said they didn't reduce the amount of the pool hours that we had done in the previous year, which would reduce it by about \$9,000. But I also would like to take it to re-bid and see where we come.

Mr. Krumrie: Are we saying \$250,000 then?

Ms. Burns: I think we are going to leave the full amount in there now, if we re-bid it before the time we adopt the budget we can always adjust it down if there's some savings.

Mr. Plummer: Okay.

Mr. Howison: And along the lines of re-bid, I'm just curious more than anything else, when was the last time we bid on the landscape maintenance and lake and wetlands maintenance?

Ms. Wells: I know it's been a while. I've been here 8 years and it's been the same company and I don't believe we've been through a re-bid since I've been here for 8 years.

Mr. Costello: Didn't they just reduce our costs?

Ms. Carpenter: Landscape had a 2% increase, but they are going to take over fountain maintenance which is going to reduce costs. It's kind of a wash for pool maintenance. Pool maintenance had a 5% increase, but we are going to take fountain maintenance away from them, and Yellowstone going to take over fountain maintenance for the two fountains that we have.

Mr. Realmuto: How much is fountain maintenance costing us a month, was it \$215 a month?

Ms. Carpenter: It \$215 a month, but with the 5% increase to that and Yellowstone agreed to take over doing that.

Mr. Realmuto: We agreed to place all those items on our agenda, so security services will come up in January, and landscaping contract reviews in July, so we'll have an opportunity to talk about those, but these are probably the best numbers we have for now.

Ms. Burns: There's a bidding threshold of \$195,000 a year for maintenance contracts to the extent they are under those, we can just solicit bids without having to go through a formal RFP process if we are interested in doing that. If it was going to be over \$195,000, we need to go through a formal bid process where it's advertised, it's pretty easy to get competitive bids from under the amount if that's something the Board wants to do.

Mr. Realmuto: So, moving down the list under maintenance expenditures, there's an item for gas which currently includes both the gas we've seen at the pool as well as the gas that the restaurant uses. I get a copy of all the invoices that go out and are approved. I know they are invoiced separately, so I'd like to ask that the gas for each of those be getting its own line item just for transparency for us to understand where the money is going, and suppose we use a lot more gas to heat the pool than you do for the restaurant. It's a significant expense, so we should be aware of them.

Ms. Burns: That's easy as long as they are invoiced separately. So that's fine.

Mr. Krumrie: Jill, going back to the first page under management fees, I think there's no increase in the budget. Does that mean that there's no increase in expenses projected?

Ms. Burns: Correct. We will leave the same contract amount.

Mr. Krumrie: Question two, on clubhouse and maintenance, my understanding is now we are doing a lot of the housekeeping maintenance, etc. But yet, and my understanding is that saves a lot of money, but yet we didn't reduce the budget to reflect that savings?

Ms. Wells: We didn't yet, I'd like to do one more year at that current budget, so we'd have two years to figure it out. We're getting into where we are getting more ball and rental events to where we would want to hire an outside company to come in just to clean up after those ball and rental events. So, if this Board is okay with that, to have one more year to kind of see if we are trending to where we reduce that amount. I don't want to reduce it \$75,000 and then going over.

Mr. Krumrie: Okay but then should we not increase revenue then for ballroom events? I mean let's be consistent.

Ms. Wells: Sure.

Mr. Krumrie: I mean we've kept revenue the same, but we increase the expenses.

Ms. Wells: I think I was just nervous to recommend a decrease in clubhouse maintenance, but we can definitely do that, I agree.

Mr. Realmuto: Before we move off of clubhouse and maintenance, I had a couple of comments or questions there as well. As you can see that is a rather large item of \$110,000 and quite frankly, looking at the invoices that get charged against that, there's a wide variety of things that are included there. Then just so the restaurant doesn't think I'm picking on them, I'm basically about fiscal responsibility and making sure that we understand where our costs are going. There's a lot of expenses that are charged under that, that you might not even be aware of. Again, at the risk of some groups thinking I'm picking on them, I'm not. I'm just speaking out where the expenses are. We incur a significant expense for having the bowling alley maintenance people there on site during play to take care of any problems. Again, that's a little over \$1,000 a month that comes out of that clubhouse maintenance budget. I'm just starting to get handle on where some of this money is outflowing so I'm making you aware of it. That's just one that comes to mind, but there's a wide range of things there. It includes everything from ballroom rentals, which are presumable offset by revenue, to things like I just mentioned. I'd like some suggestions to break that down further into categories.

Mr. Costello: Well one of the things that was to be included in here are some of the insurance claims that we have going out for various repairs that have been done in here.

Ms. Wells: The repairs to the bowling alley are under water damage repairs currently.

Mr. Costello: Okay, so we haven't taken into consideration there the amount of money that the insurance company is paying into it.

Ms. Burns: It is, that's on the revenue side. Any of the insurance proceeds would be coded to the revenue.

Mr. Costello: Okay. But have we adjusted it with them yet, as of yet? Have we received money and is it in this budget?

Ms. Burns: I believe we received the money for that repair for the water damage in fiscal year 2020. We received the check in 2020 and the repairs were made in 2021. Is that correct if I remember correctly?

Ms. Wells: And we are not completely done with that yet, so once we're completely done it will go to insurance again and they will probably have to cut us another check for the difference between.

Mr. Costello: So, we still have money that we are looking at coming back from the insurance company?

Ms. Wells: Yes, but you haven't realized all the expenses yet as well.

Mr. Costello: I realize that.

Mr. Realmuto: Are we ready to go on from clubhouse items?

Mr. Krumrie: I think so. There're so many items here that I would adjust \$1,000 or \$2,000 or whatever, but maybe we could ask Christine to go through line by line and make any suggestions at the next Board meeting perhaps.

Mr. Realmuto: This represents a lot of input from staff. I know I have myself spent many hours going through this by line item. One of the items was on pool maintenance, you mentioned that it was staying the same but we were going to be removing the fountains from it, because it was being picked up by Yellowstone. So, we were previously paying \$215 a month or \$25,000 a year, for pool maintenance. She kept that item the same, I figured because they were expecting a 5% increase. Yet the amount we spent specifically for the fountain represents essentially the 13% increase. I'm just wondering if

it needs to stay there or could come down because we took out the maintenance of 15% increase.

Ms. Wells: No, pool maintenance is doing a 5% increase for the pool maintenance contract and the fountain maintenance contracts. So, when I took the fountain maintenance out of it, it was pretty close to the \$20,000 already. I can do some calculations really quick. So, we kept it the same because it does include additional repairs to the pool and things like that like minor repairs. So that amount isn't just the pool maintenance budget.

Mr. Realmuto: Okay, so the amount of the pool maintenance contractor is only going up by 5%.

Ms. Wells: It's going up 5% and then with the removal of the fountains, it was pretty close to the amount that we had set aside for this current fiscal year.

Mr. Realmuto: The only other things I have on the budget, one is under capital reserve transfers in and transfers out. After the budget numbers are included Jill I'd be especially trusting in your explanation of how it effects the reserves, I guess that would be something for next meeting?

Ms. Burns: Yes, we will update all those figures with the changes that you made and then determine that number. I just want to make clear; I believe kind of from the conversations the intent is to keep assessments the same this year and work with them within the 2016 budget

Mr. Realmuto: I was trying to say that again after we went ahead some on the budget, but I think we need to discuss that here.

Ms. Burns: Yeah, I just want to make sure we did.

Mr. Realmuto: Let's cover everything else before we go there. Are there questions about the budget itself, other than the assessments?

Mr. Plummer: Moving onto assessments.

Mr. Realmuto: I believe that previous Boards had discussed perhaps doing an annual cost of living increase in the assessment, but we found out that wasn't cost effective due to all the notice requirements, because I think Jill said there was a mailing required to homes. So, the discussion on the Board at that time was to not do it yearly, perhaps considering it every other year to reduce the overhead costs. So, I'm bringing it

back to this Board meeting. It's been, this will be two years now. Particularly in light of some of the expenditures that are going to be necessary, I think we need to consider an increase.

Mr. Plummer: Steve, historically what we did one was last year was we discussed moving to a cost of living increase basically every other year. For exactly your reason is the advertising costs, etc. We were trying to avoid what occurred where we didn't have an increase for 10 years and then we had to take a large increase. I thought at the time, the consensus of the Board at the time was to go every other year and take the combined for the 2 years and that would be the increase, and then the next year, there would be no increase. So, you're thinking is correct, that's what we had decided on to keep from the large increase once every 8 to 10 years or whatever.

Mr. Realmuto: Just to inform you, I ran some numbers there, depending on what we are looking at. I imagine we are looking at holding ourselves to a relatively small core type increase of somewhere between 2 and 2 and 2 ½% a year. So, I ran the numbers on those. Since it's been 2 years what we are talking about is increasing the assessment either 4% or 5%. What that would mean in terms of an increase in the annual assessments if we choose to increase the assessments 4% it would be \$75 to each homeowner. We can leave it for the Board for discussion as to what they might want.

Mr. Plummer: Discussion? I will just weigh in. At this point here we need a number that we can reduce at a later point, but we cannot increase at a later point. So, you want to keep that in mind as well.

Mr. Howison: I think also we are seeing a bit of an increase in inflation this calendar year. So, perhaps we want to look at the 5% number and if we want to reduce it in the final budget we can.

Mr. Costello: You are only looking at \$8 a month there. It's over a 2 year period, \$4 each month. Believe me, I don't want to see going any higher than it has to go, but by the same token, we are looking at a year where quite honestly, like we were told this morning that the minimum wage is going up, the price of fuel is going up. This morning Christine mentioned that the price of gas for the pool is going up. We do have inflation that I think going to publicly hit us fairly hard.

Mr. Realmuto: So, do I hear you saying that you would vote a little bit behind the 5% just to round up?

Mr. Costello: No, no I think that 5% is sufficient that we should be able to go live within a 5% budget.

Mr. Realmuto: I'd also be interested to no more that 5%, and somehow the increase in \$94 sounds better than \$100.

Mr. Plummer: Are you making that a motion, Mike?

Mr. Costello: I'll make a motion that we increase the budget.

Ms. Burns: We can just take it a staff direction to include it in the budget that we then are going to present and then we present that.

Mr. Costello: Then come back with better numbers and we'll be able to look at it and maybe we can reduce it to 4%, hopefully we can.

Ms. Burns: So, we will put a 5% increase for \$94 per lot into the budget that will be presented in May.

Mr. Plummer: Thank you. Alright we still have several items on our agenda. However, we are five minutes from our advertised joint meeting

Ms. Burns: We can recess and reconvene after we finish these other items.

Mr. Realmuto: I think we will need to recess and reconvene, but I think we can still fit a few monthly reports in before the scheduled time, unless we want a break.

Mr. Plummer: Well, you are going to get a break while everybody else gets moved up here. Jan can go into her report before we take a recess.

EIGHTH ORDER OF BUSINESS

Monthly Reports

A. Attorney

Ms. Carpenter: I don't need much time at all. I don't have anything this month, it's been very quiet.

Mr. Plummer: Thanks for that report.

Ms. Burns: I think it would probably be a good point to recess and reconvene and we'll move everybody up here and get that started.

Mr. Plummer: I think that's a good idea.

Ms. Burns: I'd just be looking for a motion to recess and reconvene this meeting immediately following the adjournment of the joint meeting.

Mr. Plummer: I need a motion for that.

On MOTION by Mr. Realmuto, seconded by Mr. Howison, with all in favor, the meeting was recessed at 11:25 a.m. to reconvene after the joint meeting.

*The meeting was reconvened at 12:58 p.m.

B. Engineer

i. Consideration of Quote to Grade Pool Equipment Area to Drain

Mr. Plummer: We took our pause right after the attorney's report. The next item is the engineer's report, Alan.

Mr. Rayl: Thank you. I have a few things for the Board to consider today. The first is in your agenda package and is a quote from S&S contracting to do the work to grade the pool equipment area to drain. The Board asked us to look into this after Christine brought it up. That area is in a hole that holds water. We came up with a plan to relieve that area and the contractors bid is recommended to the Board. It will involve removing some sod that is there, grading the area and installing a yard drain that will go through the landscaping area near the car path and connect to an existing yard drain. Then they will replace the sod that was temporarily removed. This was the most cost-efficient way to get that area to drain. It's not something that would require any inordinate maintenance in the future. I am recommending that the Board approves this and I will answer any questions if you have any.

Mr. Plumer: Is this the S&S Contracting estimate of \$2,130?

Mr. Rayl: Yes sir.

Mr. Krumrie: I make a motion that we approve the request.

Mr. Realmuto: I'll second it, but I do have some questions. Were there any engineering questions on your end associated with this? If so, what were they?

Mr. Rayl: Yes, there were and I don't know the total. They were on our previous invoices. We looked into it, we took some survey elevations of the grades in the area. We drew the plan that the contractor bid on.

Mr. Realmuto: I only ask because I know in some cases like moving the stop sign line the engineering costs were multiple times the actual contract request. Just so we are aware of what the total costs are for a project that's a lot more than the contract we are asked to approve. S&S Contracting has done a lot of different work for us, from the stop sign lines to the car path repairs. Are they like a general contractor that they subcontract to do the individual items, or do they actually do all this varied work themselves? I am just curious.

Mr. Rayl: To my knowledge this has all been done in house by them.

On MOTION by Mr. Krumrie, seconded by Mr. Realmuto, with all in favor, the Quote from S&S Contracting to Grade Pool Equipment Area for \$2,130, was approved.

Mr. Rayl: I will let them know that the bid has been accepted. The second item, this is something that Christine brought up, there is an inlet top on Litchfield that was destroyed. We have a quote and from what I understand that's going to be a reimbursement back to the District.

Ms. Wells: Yes, we have the resident name. I was just waiting for the quote to go to them to find out if they are going to take care of it through insurance or privately.

Mr. Rayl: This was to demolish what remains and repour a type 6 curb inlet top. This is the inlet that has the double wings on it, it's pretty expansive. For the Board's information, the quote is \$4,500.

Ms. Burns: We'd want the CDD to do the work, so we would be looking for the Board to approve the quote because the resident would not be hiring the contractor directly.

Mr. Realmuto: Since this is potentially an insurance claim, or at least covered by the resident, I think that we want to know the full cost and not just the cost for the contractor to do the work. I think we would want to understand what Alan's bill to us was on this topic and include that in the bill to either the insurance company or the homeowner.

Ms. Wells: Could you give me a separate invoice for that one, just so it's separate from everything else?

Mr. Rayl: Yes, we can show what time we have spent involved in this.

Ms. Wells: Okay, thank you so much.

Mr. Rayl: That being said, do we want to authorize the work to be done by the contractor?

Mr. Plumer: I think we can motion to get that accomplished, it's just when we turn the bill over to the resident it needs to include the engineering fees as well. If I understand you right, Steve.

Mr. Realmuto: That's exactly right.

Mr. Plumer: Okay, looking for a motion.

On MOTION by Mr. Costello, seconded by Mr. Howison, with all in favor, the Repair of Inlet Top on Litchfield, was approved.

Mr. Rayl: Next, we have been working to get some repairs made on the ponds so we can certify them as compliant back to SWFWMD. Over the last year, we started out with 14 things that needed to be fixed up. To date, five of them have been completed. You'll hear from Matt in a little bit that we reached out to Yellowstone to see if they could take care of about four of these because it is basically landscape clearing where vegetation has overgrown the control structures, that type of thing. We felt it was most efficient to go back to them to do this work. They know where these things are and they are our onsite contractor for that. Once that vegetation clearing work is done, we'll get some prices from contractors to make some areas of physical repairs. There is a bleed-down on one control structure that needs to be restored. There is another structure that is leaking and lowering a lake level below what it is supposed to be. There is a side drain system on one pond that needs to be repaired and then a clean out on another pond. Not extensive construction work, but it needs to take place after the vegetation is done. As I said, Matt will go over Yellowstone's quote for that work later in his report. We also got two bids in, the Board asked that we solicit contractors to do the sealing of the bridges. In looking into this we got a quote from Gator Pressure Cleaning and Custom Painting and then also a quote from Center State Painting. Effectively, that is the kind of work this is. They are going to spray the sealing on the bridges after a pressure wash. It is something that these painting companies have under the scope of work that they can do.

What we learned in this process is that this type of work runs close to about a dollar per square foot to accomplish. The Center State bid was just under \$18,000 and the Gator bid was \$16,000. I don't recommend that this is the direction that the Board goes with. I think there may be other ways to revisit this. I believe these bids are accurate in what it takes to do that type of work if we want to go to a commercial company to do it.

Mr. Realmuto: I totally agree to that recommendation. The whole point of this was to save us money in going forward to make it last longer. I do think we need to pursue whatever other avenues for getting it done, including doing it in house. I have discussed this issue with Christine, and I understand that GMS has essentially maintenance employees that could be used to do this work. Then we don't have any of the various workman's comp or insurance issues. I don't know if we can pursue that path and get a cost estimate, but it needs to be done sooner rather than later if you feel that it's going to prolong the life of the bridges sufficiently to make the investment worthwhile. In other words, if we're going to spend more and only preserve the life by a few years, it might not be worth it. If by doing it on an ongoing basis we can postpone needing to replace the bridges for 10 or more years I think it becomes more attractive given the cost of bridge replacement.

Mr. Rayl: I can't really speak to that. I think it would have been advisable that it be done when the bridges were constructed and maintained along those lines. You can get those life expectancy extensions out of doing that. I don't know that that is necessarily the case with bridges that we have in today's conditions. I have an expectation that is going to help rather than hurt. But I am not a bridge sealant expert, so I couldn't speak to that.

Mr. Plumer: And we talked in the past as an addition to that as putting the runners down through there which would more likely improve the length of time that they are serviceable.

Mr. Rayl: Correct. The recommendation on that has been while lumber prices are still three to four times what they ought to be, that we hold off on going forward. I think that everyone agreed that that was a good way to go. We are waiting on the right time to pull the trigger on moving forward in that direction.

Mr. Plumer: I read a pretty lengthy report last week on lumber prices, and I won't go into all the detail, other than a year ago in April the 1,000-board foot cost was roughly

\$348, and it is now \$1,287. This report did not see any significant reduction in lumber prices for at least the next 36 months. I wonder if we ought to consider biting the bullet and investing in these runners or looking at an alternative. I know some places have done rubber. I worry about the rot under that. We've all been to courses where they have used that as opposed to lumber. I do think perhaps that would do us more good than the sealing at this point because some of these bridges, particularly heading over to the first tee on East, some of these bridges have deteriorated pretty well already.

Mr. Rayl: We will follow the Board's direction if you would like to get some current bids on doing the runners, we can bring those back to the next meeting.

Mr. Plumer: I don't suppose it would hurt to look at the cost to do that either. That with lumber or as a rubber type situation as well or to see what the cost effectiveness of wither one would be.

Mr. Rayl: Alright, we'll see if we can get some bids for the instillation of the wood or if there is alternate like a rubber material, we will see about that as well. We have gone out for bids to repair some flumes going into some of the stormwater ponds. We got a decent quote of \$11,000 for that work. I'd like to try to improve on that by maybe simplifying some of the work and going back to the contractor to see about getting a better cost on that. I'll bring that back to the Board at next month's meeting, I just wanted to update you on that. Similarly, we received some bids on a "top ten list" of pavement areas that was discussed a little earlier in the budget discussions. We sent out a list of ten. One contractor bid on nine and the other one bid one eight. We are going to get to the bottom of why they left out a couple and I can come back with a recommendation there. One bid, again, S&S was the one that bid eight of the ten and they were at \$21,000. We want to make sure that we are optimizing what we are doing there with the dollars that we have budgeted. Another item that you'll hear more from Matt about later is there is discussion about Yellowstone doing some maintenance in an area that is called Pine Island area. I just brought it to Matt's attention, I think he was already aware and he's confirming with Yellowstone on it that some of that area is in a platted wetland that they need to make sure they are coordinating appropriately with SWFWMD in any activities that they are going to do there just to make sure. Any of the wetland areas are CDD owned property so it puts the District at risk if they don't follow all the rules and we are just being certain

of that. Lastly, there were a couple of other environmental items that came up. There was a tree in one of the conservation areas that appeared to be a risk to falling on the home that it was behind. I think in one of our most recent storms about half of that threat went away. There is a little piece of that that is a remainder. I have been coordinating with Chaz on recommendations that was submitted for a no-permit determination. The homeowner, and I was also copied by SWFWMD, had a young engineer at SWFWMD got this request and decided to ask a few questions about it. It had the opportunity to turn into something that it didn't need to be. Chaz is having me coordinate with her directly just to finalize that. They are going to cut the tree off about six-feet high, remove what they cut off, and she will address it accordingly. It will still be a no-permit needed. Similarly, I have talked to Christine about this as well. A resident had concerns about the Muscadine grapevine overtaking the treed area along Thomson Nursery. We asked Chaz with SWFWMD again to look into that. She didn't have a great concern that those vines were going to smother out the underlying vegetation. She said it is possible to coordinate with them to treat the area to try to reduce the vines, but it's not something that is ever going to fully go away.. Just for informational purposes, if the Board wants to pursue that, it would not be a one and done it would be an ongoing thing. But if you didn't want to pursue it, she didn't feel that there was a great risk that the trees in that area would be smothered out by the growth. That being said, I think that's all I have for the Board this month.

Mr. Plumer: Questions for Alan? If not, thank you for that report.

C. Lake Ashton Community Director

Mr. Plummer: Next is Christine, Community Director's report.

Ms. Wells: Okay, the Community Director report was included in the Supervisor packet. I am just going to hit on a couple of things. Just enough to move this along. I did want to start by saying today marks National Volunteer Appreciation week. So, we did start off with free donuts and coffee for our volunteers today and there will be another event on Wednesday and Friday here at the clubhouse and also events on Tuesday, Thursday, and Friday at the HFC. There was a poster that went out with several email blasts from Mary and myself just letting residents know what they can get as far as volunteer appreciation activities. We also are coming to the end of our spring fling which

took place the month of April. We got a lot of positive feedback. There are quite a few residents getting out and doing activities again now that they have had their vaccine, so it is really good to see. Again, Caroline worked really hard to secure sponsorships, so all the activities for the spring fling were free to residents. We also have our spirit week coming up at the end of April and hopefully we have a good turnout for that as well. A lot of fun things going on. There is some information on rescheduled events. And again, this will go out in the wrap-up report. There are so many residents that want to see more details and they can see it then. We also did another vaccination clinic here with CDR health on April 9th. To date, over 300 residents have been vaccinated here in the clubhouse. Moving on with that, we are also researching options for voice and text alerts to add to the current information distributions options that are available for residents. I will have a quote and the May meeting for that option if Supervisors want to move forward with that. Alan hit on the grapevines. We did have Applied Aquatic come out and evaluate the area to give us a quote on what it would cost to maintain that area. I'm sure it is going to be very similar to what Matt is going to present with what they are calling Pine Island. There is going to be an initial fee and there is an ongoing maintenance fee involved. We should have something for that. As Alan mentioned, there is not initial risk to trees dying. Did anyone have any questions on that report before I go to the project tracking list? The bowling alley well point system I was so hoping to mark as complete on my list, but we are still working on that. Actually, this week in the project tracking list it says that it's going to start on Thursday, April 15th which it did not. It should be complete by the end of the week. They are here today and tomorrow. Wednesday they are going to be shutting the water off to do the final work. They are going to start in the restaurant and see if that fixes the problem, then they will move to the bar and the ballroom kitchen if it doesn't. We know there is an issue in the restaurant kitchen right now. The water will be shut off from 6:00 to 8:00. The clubhouse will be open, but the restrooms will be closed so an email blast went out letting residents know about that. They also are finishing the last of the electrical hook up for the well point system. That's going to be Tuesday. Tomorrow the electricity is going to be shut down so the clubhouse will be opening at 8:00 tomorrow. Finally, our countertop replacement was complete. It came in at \$896.92 under the original quoted amount, so we were able to save some money there. The hands-free faucets were done,

the painting was done, and it all came in under what was allotted to staff for that. The main entrance landscape refurbishment, they are waiting on the install of the bougainvillea, then we are going to be doing some electrical repairs. We wanted to wait and do that once we got everything installed. They will do some electrical repairs to the landscape lighting there, then we will be pressure washing the curbing and putting mulch in. It's getting there, not done yet. I did update the Lake Ashton management so supervisors can see what we have spent year-to-date and that is there for informational purposes. That's all I had to mention unless anyone has any questions on any projects that we are working on.

Mr. Plumer: Thank you very much Christine for that report. Appreciate that.

D. Operations Manager

i. Consideration of Aquatic Plant Agreements from Applied Aquatic for Vegetation Clean-Up

Mr. Plummer: Operations Manager report.

Mr. Fisher: Included in the agenda packet is my report. Staff went around with the Applied Aquatics manager, and the only big noted issue was near hole 9. They will get on top of that.

Mr. Costello: Matt, that's under the existing contract, right? There is no additional expense for that?

Mr. Fisher: Right, that is just their monthly algae treatment. I ride around with them monthly as well to look at everything and make sure they are doing their job. Staff did refurbish the chess board. It looks good. The chess folks were happy about that. Other than that, there was a question about the update on the grass carp in the pond on the right as you are exiting the community. I did get with Archie the Applied Aquatic manager and he said December 18th they were introduced to the pond at about 8 to 10 inches in length as younglings. They do mature around two years old. Every month that goes by they grow about two inches and they eat pretty much every submersed aquatic plant in site. That does slow down as they get more mature. Their main diet is hydrilla. They do venture off and come to the top and eat algae and whatnot. We did walk around the pond and did notice a lot of the hydrilla had been cut back. Any other questions about the grass carp I can definitely ask Archie whenever he is here. I did include two quotes as Alan

mentioned, we can look at the structure vegetation. It is dead vegetation, so it has to be removed by hand. I reached out to Applied Aquatic, they do this type of work. This would be to complete our part of the SWFWMD certification. The quote was \$3,160 and they will provide before and after pictures. Any questions? I can answer if needed.

Mr. Realmuto: This question may be more for Alan, this work is basically required to keep our certification? My question is could it be someone where the cost might be lower?

Mr. Rayl: That was our reason for going to Applied Aquatics instead of tasking the contractor or S&S or somebody like that who is not in the vegetation maintenance business. I think that's why you have this option in front of you.

On MOTION by Mr. Realmuto, seconded by Mr. Costello, with all in favor, the Applied Aquatics Quote for \$3,160 To Remove Vegetation Around Control Structures, was approved.

Mr. Fisher: I will get that to them and I will put a synopsis of the work they did in the next report. The second quote I have, I was approached about a wetland west of the Clubhouse.

Mr. Plummer: For the golfers that is behind hole 4 tee. It's between the 3 green and hole 4.

Mr. Fisher: We got a quote to treat that area, there are startup charges. The quote we received was \$5,334 to go trim down the area of Brazilian pepper trees and primrose willows and then \$1,110 for quarterly maintenance.

Mr. Plummer: This area was supposed to be in their original quote and it somehow fell through?

Mr. Fisher: I can't say for sure if it was supposed to be in the original. It was an area that was maintained by the golf course.

Mr. Howison: Is this the one that I got the call on last month that I mentioned? It was the lady on Dunmore.

Mr. Fisher: I can't recall, it's the area with tall pine trees.

Mr. Realmuto: Just to be clear, the homes don't back up to that. They back up to a pond and on the other side of the pond is this natural area. Financially, we are looking

at an initial cost in this fiscal year of \$8,600. The quarterly maintenance comes out to about \$4,400 per year. That seems like a rather large amount. I drove by there and I think it's a nice area. It's probably good for wildlife and other natural critters. I think it might even be a detriment to do what is proposed.

Mr. Plummer: I'm not hearing a motion to do it.

Mr. Wells: I have one thing that I forgot to mention in my report. We did have wind damage last week. There were about 10 light poles that were leaning, TECO is taking care of that. There was a section of fence on Thompson Nursey Road that backs up to Turnberry that Heartline has taken away. We are going to put some temporary fencing in there and they are going to repair that. We had one ball fall of the cap by the exit gate, I don't think we have enough for an insurance claim because it was minor. I just wanted to inform you of that.

E. District Manager's Report

i. Discussion of Lifting Meeting Attendance Capacity Restriction

Ms. Burns: Just one quick item from me, we currently do have a 100 person cap for the meetings in place. We can probably remove the attendance at the meeting, I just wanted to make sure that was okay with the Board.

NINTH ORDER OF BUSINESS

Financial Report

A. Combined Balance Sheet

B. Capital Projects Reserve Fund

C. Statement of Revenues, Expenditures, and Changes in Fund Balance

D. Approval of Check Run Summary

Ms. Burns: We reviewed a lot of this as we went over the budget. Are there any questions?

Mr. Realmuto: I had one question on the check run summary. On page 5 of the summary the second item up from the bottom of the page, you will see an expense to Access Bowling Services. This was the amount I was referring to, I understand it is to pay for monitoring of the bowling alley during league events. This seems like it is only necessary for the operation of the league. It might be more appropriate for the members to pay for the monitoring if they want that. It's not an insignificant expense for the year. I don't think the cost should fall on the CDD. It's up to the Supervisors though.

Mr. Plummer: What kind of monitoring goes on?

Ms. Wells: It is pin setting services. The back area of the bowling alley is not accessible to residents for obvious reasons, just because it can be dangerous. We have it in place for some of the leagues when staff is not available to assist if balls get stuck or pins get stuck. It's something that you have at other bowling lanes in the area. It was something that was established quite a long time ago. I'm open to whatever the Board is open to.

Mr. Krumrie: How much time is involved?

Ms. Wells: We have sign in sheets for them and I can get that information. It's usually during the night time leagues when staff is not available. I can bring information to the next meeting about this.

Mr. Realmuto: Just to be clear, the league could still have monitoring done by staff if they chose to have their league play while staff was here? Then we wouldn't incur this additional expense. I don't know if we have the ability to pay staff over time to be here for that.

Mr. Plummer: I would like to see a breakdown of how much of that is labor cost or repair costs.

Ms. Wells: I can bring that to the next meeting.

On MOTION by Mr. Realmuto, seconded by Mr. Howson, with all in favor, the Check Run Summary, was approved.

TENTH ORDER OF BUSINESS

Public Comments

Resident: Since we didn't have time at the end of the first portion of the meeting I would like to make some comments on projected expenses. The bocce court, I was one of the key persons involved in building the bocce courts. I don't see any need for a cart path to the bocce courts. It's a luxury when money is tight. 85% of the residents in the survey you received said that they do not see any need for improvements in the vegetation yet we are pursuing spending additional moneys. I don't understand that. The things I would like to see money spent on is in the restaurant and the roof and screen are both enhancements to draw more people. As we get into the summer schedule people

will be more willing to come in at night and spend time on that outdoor porch if there aren't mosquitos. I would encourage the Board to approve that. The restaurant is an amenity, I'm sorry Steve I disagree with your position. A balance budget will drive more people away from the restaurant. They could go to many other place if we increase by 20 to 30%. However, we do need to have some cost increments. I think we need to balance that out and not throw it all on the people who use the restaurant because it is an amenity. The kitchen redesign in my opinion is a necessary thing, we want a restaurant and we have to put some money into it to make it viable.

Mr. Realmuto: I would like to respond. Regarding the cart path to the bocce court, apparently some of our residents who are handicapped feel there is a need for that. This was an attempt to address that. I just wanted you to understand that. The mosquitos, you may not be aware that the restaurant did purchase a propane operated device to attract mosquitos and keep them away from the restaurant. That has been in place for several weeks. We all agree the restaurant is an amenity and I explained how it is subsidized as an amenity. Again, we are considering the dollar impact like you. The question is where the money comes from. Assuming everyone in the community ate the same amount the same number of times, increasing prices would cost you \$.60 for every \$1. But paying through a subsidy will cost you \$1. That's the fact and it's simple math. Only 59% of the households are in the East.

Resident (Debbie Landgrebe.): In regards to sealing the bridges for golf, it's not just for golfers it's other people who ride the golf carts or bike. I'm wondering if this might not be a project where we can see how CDD II handled their bridges and sealing. It's not just the top you have to do the in between and bottom too. In regards to the restaurant and redesign, nice idea. I know the kitchen is very small. I'm not sure we need an architect. We do have Metz and their expertise. Sometimes the folks who utilize the kitchen the most will have a better idea than an architect.

Mr. Realmuto: Alan, can you refresh us on what CDD II did?

Mr. Rayl: I believe it was done in house within the last year for less than \$1,000. CDD II has nowhere near the number of feet of bridges that we have here.

Resident: Regarding the restaurant shortfall, and in lieu of raising food prices or in conjunction with that, maybe the Board should consider a surcharge on each ticket or 3

to 5%. It could be dedicated to the Board for losses or expenses. Earlier Christine asked for the purchase of 12 chairs for the game room. Those poker tables each seat 8 people. 16 chairs would be more appropriate. Sometimes we need a third table because under normal circumstances. I was quite pleased you didn't put a third pool table in there because that would really limit the card players abilities in there. Thank you.

Ms. Wells: Since COVID, I look at the poker tables and think there's no way 8 people can sit at a table but I know we want to think about going forward. I can adjust that to include 16 chairs. I will bring that back to the Board.

Resident (Debbie Landgrebe.): I thought we just bought a new pizza oven?

Mr. Plummer: No, it is from 5 or 6 years ago and I don't believe it was new then.

Resident (John S.): My comment is about the operations report that Matt gave about hole 4. I don't know who brought this to your attention but three years ago that growth wasn't there. It was being cut and treated. There were 4 or 5 people out there with tanks spraying that area, then it stopped. I was getting ready to contact Lloyd Howison about that since he has the paths, ponds, and bridges. We had to be paying for it at one time. Somebody is getting the benefit by you letting it go. The Applied Aquatic quote of \$5,334, that seems like a reasonable price for the amount of growth that is there. \$1,000 every quarter sounds reasonable to me.

Mr. Plummer: John, I think we might be talking about different locations. If you are talking about looking to the East that's not the area we are talking about. We are way west of that.

Resident (John S.): Is it right behind Sable Loop?

Mr. Plummer: No. It's behind Ashton Club.

Mr. Howison: John, you can give me a call and show me the area you are talking about.

ELEVENTH ORDER OF BUSINESS

Supervisor Requests / Supervisor Open Discussion

Mr. Realmuto: As the Supervisor responsible for the budget, I need access to the financial information when it becomes available. I would ask that any information that comes from Metz, that Christine be included.

Mr. Costello: It should go through Christine.

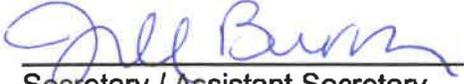
April 19, 2021

Lake Ashton CDD

TWELTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Howison, seconded by Mr. Realmuto, with all in favor, the meeting was adjourned.


Secretary / Assistant Secretary


Chairman / Vice Chairman